greater FDI flow in retail and insurance sector as well as reduce share holding of Government in Nationalize banks;

(b) if so, whether all these proposals have been considered; and

(c) the details of the same and by when, it is likely to be implemented?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) Review of the Foreign Direct Investment (FDI) in India is undertaken on an ongoing basis with the object to allow FDI flow increasingly under the automatic route. Acomprehensive review of the FDI Policy was undertaken recently with a view to consolidate the liberalization already effected and further rationalize the FDI policy governing various activities. As a result of this review, FDI has been allowed upto 51% within 'Single Brand' product retailing, which requires prior Government approval. Specific guidelines have been issued for governing FDI for 'Single Brand' product retailing.

In the insurance sector, FDI has been allowed upto 26% in Indian Insurance Companies.

In Nationalized banks, the holding of Government cannot be less than 51 % of the paid up capital. Government equity in Nationalized Banks has been diluted through public issues when the Banks concerned have found it necessary to raise additional capital. Out of the 19 Nationalized Banks, 15 have laready accessed capital market. It has been a continuous effort of the Government to create a conducive environment for the nationalized banks to raise the additional funds from the capital market for meeting their requirements under Basel-ll norms and to respond effectively to emerging competition.

Regional air services of alliance air

*25. SHRIMATI SYEDAANWARA TAIMUR: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that shortage of pilots has hit North Eastern Region air operations and the Alliance Air is looking for foreign pilots to operate the regional air services;

(b) whether the Alliance Air is being funded by the North East Council (NEC) to operate the regional air services; and

(c) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir.

(b) and (c) As per the Memorandum of Understanding (MoU) signed between Alliance Air and the North Eastern Council (NEC), the NEC is providing a budgetary support of Rs. 35 crores per annum to Alliance Air with effect from 02.01.2003 for a period of 5 years of operation of 4 ATR-42 aircraft in the North East Region.

Improvement of facilities at airports

*26. SHR! T.T.V. DHINAKARAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) the percentage of growth of domestic air traffic in the country during the last three years, year-wise;

(b) the details of investment in infrastructure development in airports during the three years, year-wise;

(c) the reasons for the frequent delay in take off/landing of aircrafts of national as well as private carriers; and

(d) the steps taken to improve passenger facilities that have suffered due to increase in the volume of air traffic?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) A growth of 9.20%, 24.97% and 22.75% has been registered in domestic passengers traffic during 2003,2004 and 2005 respectively. The first 6 months of 2006 have registered a growth of 50.24% in passenger traffic over the corresponding period in 2005,

(b) Airports Authority of India (AAI) made investment for development of airports of Rs. 566.22 crores, Rs. 606.49 crores and Rs. 876.08 crores during 2003-04.2004-05 and 2005-06 respectively.

(c) Delays in take off/landing of aircraft takes place due to congestion of traffic during peak hours particularly at Delhi and Mumbai airports due to bunching of flights and ATC operation. Delays also take place due to technical snages on aircraft, non-availability of crew, adverse weather conditions and consequental delays etc.